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COMMISSION ON HUMAN RIGHTS
Sub-Commission on the Promotion
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Fifty-second session
Agenda items 2, 4 and 12 (b) (i)

QUESTION OF THE VIOLATION OF HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS, INCLUDING POLICIES OF RACIAL DISCRIMINATION AND SEGREGATION, IN ALL COUNTRIES, WITH PARTICULAR REFERENCE TO COLONIAL AND OTHER DEPENDENT COUNTRIES AND TERRITORIES: REPORT OF THE SUB-COMMISSION UNDER COMMISSION ON HUMAN RIGHTS RESOLUTION 8 (XXIII)

THE REALIZATION OF ECONOMIC, SOCIAL AND CULTURAL RIGHTS

REVIEW OF FURTHER DEVELOPMENTS IN FIELDS WITH WHICH THE SUB-COMMISSION HAS BEEN OR MAY BE CONCERNED

REVIEW OF ISSUES NOT PREVIOUSLY THE SUBJECT OF STUDIES BUT WHICH THE SUB-COMMISSION HAD DECIDED TO EXAMINE

IMPLICATIONS OF HUMANITARIAN ACTIVITIES FOR THE ENJOYMENT OF HUMAN RIGHTS

Letter dated 8 August 2000 from the Chargé d'affaires a.i. of the Permanent Mission of the Federal Republic of Yugoslavia to the United Nations Office at Geneva addressed to the Chairman of the Sub-Commission on the Promotion and Protection of Human Rights

I have the honour to transmit, enclosed herewith,* the document entitled "The Damage Sustained by the Federal Republic of Yugoslavia due to the Dismemberment of the

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* The annex is reproduced as received, in English only.

Former Socialist Federal Republic of Yugoslavia, United Nations and European Union sanctions and the NATO aggression".

I would like to ask you kindly to have this document published as an official document of the fifty-second session of the Sub-Commission on the Promotion and Protection of Human Rights under agenda items 2, 4 and 12 (b) (i).

(Signed) Branko BRANKOVIC

Ambassador
Chargé d'affaires a.i.

Annex

THE DAMAGE SUSTAINED BY THE FEDERAL REPUBLIC OF YUGOSLAVIA DUE TO THE DISMEMBERMENT OF THE FORMER SOCIALIST FEDERAL REPUBLIC OF YUGOSLAVIA, UNITED NATIONS AND EUROPEAN UNION SANCTION AND THE N A T O AGGRESSION

Prior to the so-called Yugoslav crisis, Yugoslavia was ahead of any other European country in transition in the pursuit of economic and social reforms. However, the dismemberment of the former Yugoslavia, the sanctions and the NATO aggression put a stop to the overall thrust of its development and hindered a stable and dynamic economic growth, based on an export-oriented strategy and domestic resources. The FR of Yugoslavia was suspended from the United Nations system and international economic and financial organizations and institutions and isolated from, and denied access to, international markets of goods and capital. The migration of educated professionals diminished its scientific and research potentials. Its citizens had their right to development, as well as many other basic rights, such as the humanitarian right (supply of food, energy or drugs), the right to communication with the international community, to international scientific, technological and educational-cultural cooperation or the right to a healthy environment denied.

In the social sphere, unemployment soared and the living standard of the population was drastically reduced. Wages, pensions and social benefits plummeted. In addition to a negative impact on the living and social standards, the real fall of income created problems in the market supply and accounted for the rise of gray economy which affected the market of goods and services, money flows, as well as the job market.

Despite a reduced social product, the FR of Yugoslavia has continued to provide, at no small cost to its own population, a high level of humanitarian assistance to almost one million of refugees who fled the former Yugoslav republics (Bosnia and Herzegovina, Croatia, Macedonia and Slovenia) and displaced persons from Kosovo and Metohija, the autonomous province of the Yugoslav constituent Republic of Serbia.

Beset by recurrent problems and continuous difficulties, the economy of the FR of Yugoslavia has performed over the past 10 years at the level 50 per cent lower than the one in 1991. The forcible secession of the republics of the former SFR of Yugoslavia (1991-1992), Security Council sanctions (1992-1996), the sanctions of the European Union (since 1998) and the NATO aggression (1999) impeded the realization of the usual, realistically expected and possible economic growth and development and the increase of social product and hindered the

rise of the living standard of the population, preventing normal work of people and the economic activity of the country, as well as a free exchange of goods and other forms of cooperation in the world market and the flow of revenue on that account. They also accounted for the drastic fall of the BNP from US$ 2,735 in 1990 to US$ 1,300 in 1999 and for the unemployment of a large number of workers and professionals.

The FR of Yugoslavia has been denied membership in the International Monetary Fund and has not been assessed a quota (the latest 1995 assessment amounted to SDR 467,7 million) even though it accepted the division of the IMF quota of the former SFR of Yugoslavia. For the loans granted in the period between 1992 and 30 June 2000, the FR of Yugoslavia owes the International Monetary Fund SDR 97,8 million (55,6 million the principal, 42,2 million the accrued interest), which it could not repay due to its membership status.

The FR of Yugoslavia is not a member of the World Bank and its affiliations (IFC, IDA), either, as the membership in these institutions is contingent on the membership in the International Monetary Fund. However, it does owe about US$ 1,2 billion to the World Bank on account of previous loans, which, with the interest accrued since 1992 when its membership in the World Bank ceased, amounts to US$ 1,6 billion.

Sanctions have affected various sectors of the economy of the FR of Yugoslavia drastically and in a variety of ways: participation of industry in the creation of social product has been reduced from 43 per cent to 35 per cent; the value of export diminished by 74,3 per cent, the value of imports by 55,8 per cent, the use of capacities in food processing industry has been reduced by 40 per cent; the value of agricultural exports by 60 per cent; a rigorous embargo on oil and oil products accounted for deficient use of refineries and the resultant fuel shortages interrupted economic activities and created problems in traffic and transportation, the supply of goods and services and in the heating of schools, hospitals, public institutions and private homes. The sanctions also prevented the FR of Yugoslavia from addressing technological superannuation in a timely fashion, while difficulties in maintaining equipment and procuring spare parts threatened minimum air traffic safety. Yugoslav planes and ships have been seized and the overall volume of cargo transported on Yugoslav freighters diminished by more than 80 per cent. The introduction of sanctions accounted for the suspension of the FR of Yugoslavia from the TIR Convention, making the operation of foreign hauliers in the Yugoslav territory and the operation of Yugoslav hauliers in Europe very difficult. The volume of services in passenger traffic diminished by 55 per cent and in cargo haulage by 67 per cent, while the refusal to issue

SEMT permits to Yugoslav companies has made them uncompetitive on the European market. Dearth of financial resources decelerated road maintenance and construction dynamics, making the FR of Yugoslavia less and less competitive on the European road market.

The sanctions also accounted for the reduction of the volume of the country's trade with other countries and for the loss of competitiveness of Yugoslav companies on the world market. This changed the structure of Yugoslav trade, in particular in the export sector, dominated increasingly by traditional commodities, such as raw materials, agricultural products, textiles and/or metallurgical products which, as a rule, are priced less on the world market. Export of products of a higher phase of processing is hindered by the technological superannuation of the Yugoslav economy, which renders Yugoslav goods less competitive. Conversely, Yugoslav processing industry remains highly dependent on imports, particularly from European countries.

The overall volume of foreign trade has been reduced by 63,9 per cent (exports by 74,2 per cent, imports by 55,8 per cent), which has accounted for the fall of foreign exchange revenues and the rise of unemployment.

In addition to bringing death to its population, the NATO aggression on the FR of Yugoslavia from 24 March to 9 June 1999 brought about a drastic deterioration of the country's economic situation. The infrastructure of the country, its bridges and flyovers, roads and railroads, its energy sources and transmission facilities, its refineries and other industrial plants, radio and television transmitters and the communication network, its health and education institutions, cultural sites and religious shrines and the homes of its people have been destroyed or heavily damaged. And the health of its population and its environment have been affected by the use of banned weapons, the consequences of which are unforeseeable and may last very long.

Due to the NATO aggression, the BNP in 1999 fell by about 25 per cent compared to 1996, industrial production by 23,1 per cent, exports by 45,9 per cent, imports by 30,4 per cent, average wages by 15,1 per cent, pensions by 25,3 per cent and employment in the public sector by 6,9 per cent. The anticipated increase of exports by 20 per cent and the social growth by 8 per cent failed to materialize.

Infrastructure, manufacturing industry, especially metallurgical and metal-processing sectors, oil refineries and chemical and tobacco industries have been hardest hit. Even a random breakdown of destroyed and/or damaged plants and institutions makes a pitiable reading: 42 energy generating plants and transmission

installations (oil refineries, fuel depots, transformer substations); 64 telecommunication and broadcasting centers; 66 road and railroad bridges, primarily on the main traffic routes; 32 agricultural complexes; 23 hits on railroad tracks and stations; 8 airports; 309 schools (306 damaged, 3 destroyed); 28 administrative buildings, some of which are landmark buildings; 23 clinics and hospitals; 85 Orthodox Christian churches, monasteries and other shrines.

The magnitude of the destruction caused by the NATO aggression to oil and gas industry, the pivotal sectors in providing energy to the economy and the population, is exorbitant and has a direct bearing on the overall economic and social life of the country. The destruction accounted for frequent power outages, worsening the already difficult humanitarian situation. About 50 per cent of the population of the FR of Yugoslavia uses electric power to heat their homes, while 25 per cent of homes are centrally heated; 81 per cent of the population and most institutions (schools, hospitals, plants, shops and various other businesses) are provided water from public water supply systems. The operation of all these requires electric power

Considering the consequences of the NATO aggression for the power system of the FR of Yugoslavia and the energy embargo of the European Union still in force, the procurement of equipment and material for the repair and restoration of power transmission systems and the maintenance and overhaul of power generation capacities should be treated as a humanitarian need. The same conclusions have been arrived at in the report prepared by the Office for the Coordination of Humanitarian Affairs of the Secretariat of the United Nations of September 1999 referred to in General Assembly resolution 54/96F on humanitarian assistance to the Federal Republic of Yugoslavia of 15 December 1999.

The NATO aggression accounted for the disruption of railroad traffic, which has been discontinued on most international transit routes. The overall traffic transit through the FR of Yugoslavia has been affected which caused a sharp decline in the volume of the transport of goods.

With the destruction of 5 and the damage to 3 bridges over the Danube, the navigation on the Yugoslav part of this most important European waterway has come to a complete halt. In addition to the loss sustained by the Yugoslav economy, enormous material damage has been caused also to the economies of many other Danubian countries in view of the fact that annual shipment of goods on the Danube amounts to 80 million tons.

A number of facilities of the telecommunication network of the FR of Yugoslavia, primarily in the territory of the Republic of

Serbia, has been destroyed and/or damaged in the NATO aggression. Two television centers (in Belgrade and Novi Sad) have been completely destroyed, while the destruction of the Danube bridges at Novi Sad accounted for the severance of optical and co-axial cables for international telephone traffic. By destroying or putting out of commission part of the broadcasting system of the FR of Yugoslavia, NATO has violated one of the basic human rights, the right to free information, enshrined in the Charter of the United Nations.

The activities detrimental to the functioning of the telecommunication system of the FR of Yugoslavia did not cease even after the adoption of Security Council resolution 1244 (1999) on 10 June 1999 and the arrival of international presences in Kosovo and Metohija. Broadcasts of Yugoslav radio and television stations continue to be jammed, while programmes of Radio-Television Serbia have been suspended from EUTELSAT.

147 health institutions, with equipment and drugs, were destroyed and/or damaged in the aggression. Consequently, there is a severe shortage of the most basic medical equipment, while the pre-aggression level of drug supply will be possible to restore only if all producers are provided with all raw materials, precursors and spare parts worth hundreds million dollars.

Civilians and civilian facilities were frequent targets in the NATO aggression. NATO never bothered to provide military reasons, as indeed there was none. Over 200 cities, towns and villages were systematically bombed and over 1800 people were killed and over 6000 wounded, many of them with life-long consequences, in the 79 days of the aggression. As a result of the aggression, embarked upon to "prevent a humanitarian catastrophe", up to 250.000 workers in Kosovo and Metohija lost their jobs, while up to a million people became unemployed as a direct consequence of the aggression.

The destruction of industrial capacities in the NATO aggression accounted for a low level of Yugoslav trade in 1999. It stood at US$ 4,794 million, less by 36,5 per cent compared to 1998. The value of exports amounted to US$ 1,498 million, less by 46,9 per cent compared to 1998, while the value of imports amounted to US$ 3,296 million, les by 30,3 per cent compared to 1998. The trade deficit was reduced by 6 per cent: US$ 1,798 million in 1999 compared to US$ 1,912 million in 1998. The percentage of import covered by export decreased from 59,6 in 1998 to 45,4 in 1999. At the same time, a negative economic growth of -23,2 per cent was registered in 1999, as well as a fall of the national per capita income from US$ 1,742 in 1998 to US$ 1,338 in 1999.

It is estimated that the overall damage in the territory of the FR of Yugoslavia due to the NATO aggression (direct and indirect damage and damage done to physical persons) amounts to over US$ 100 billion. A Federal Commission has been established to ascertain the full amount of the damage sustained by the economy and society of the FR of Yugoslavia in the war and the results of its work will be made public soon.

In its analysis of the system of post-war recovery in the region of South East Europe, the United Nations Economic Commission for Europe attaches special importance to the inclusion of the FR of Yugoslavia and considers its role as central. As a relatively large economy, located on strategic routes leading to Western Europe, the Yugoslav economy is important both as a market for neighbouring countries and as a country of transit. In the opinion of the Commission, the FR of Yugoslavia plays a decisive role in the reconstruction plans for the region and the prevention of the FR of Yugoslavia to play that role would threaten the economy and political stability of entire Europe (United Nations Economic Commission for Europe: The Economic Survey for Europe 1999, No. 2, pages 17 and 20).

The reconstruction and development of South East Europe should be supported by the resources of international organizations and institutions, such as the International Monetary Fund and the World Bank, and should include humanitarian assistance and the reconstruction of facilities and institutions destroyed in the NATO aggression on the FR of Yugoslavia, to be followed by strategic development projects. Planned regional development goals cannot be achieved short of the inclusion of the FR of Yugoslavia into development projects. The International Monetary Fund and the World Bank have not provided assistance to the FR of Yugoslavia for economic reconstruction, structural adjustment and development. It is therefore necessary to lift urgently all sanctions and to enable the FR of Yugoslavia to return to all international organizations and institutions. This would help the FR of Yugoslavia alleviate the enormous burden of investing its own scarce resources in the reconstruction of the country.